

TAXATION

[illegible]



SENATE STANDING COMMITTEE REPORT

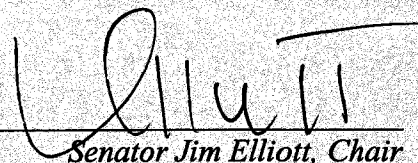
February 21, 2007

Page 1 of 1

Mr. President:

We, your committee on **Taxation** recommend that **Senate Bill 507** (first reading copy -- white) **do pass.**

Signed: _____


Senator Jim Elliott, Chair

- END -

Committee Vote:

Yes 9, No 0

Fiscal Note Required 

391157SC.spb



SENATE STANDING COMMITTEE REPORT

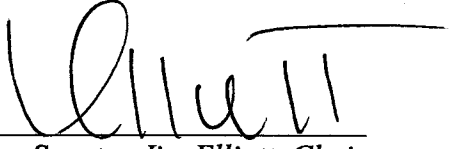
February 21, 2007

Page 1 of 1

Mr. President:

We, your committee on **Taxation** recommend that **Senate Bill 529** (first reading copy -- white) do pass as amended.

Signed: _____


Senator Jim Elliott, Chair

And, that such amendments read:

1. Title, page 1, line 9.

Following: "PROPERTY"

Insert: "; AND PROVIDING A CONTINGENT VOIDNESS PROVISION"

2. Page 1.

Following: line 26

Insert: "NEW SECTION. Section 3. Contingent voidness. If Senate Bill No. ____ [LC 1054] is not passed, then this act is void."

- END -

Committee Vote:

Yes 7, No 3

Fiscal Note Required ____



391158SC.spb



SENATE STANDING COMMITTEE REPORT

February 21, 2007

Page 1 of 2

Mr. President:

We, your committee on **Taxation** recommend that **Senate Bill 439** (first reading copy -- white) do pass as amended.

Signed: _____


Senator Jim Elliott, Chair

And, that such amendments read:

1. Title, line 6.

Strike: "NONRESIDENT"

2. Page 2, line 2.

Strike: subsection (a) in its entirety

Renumber: subsequent subsections

3. Page 2.

Following: line 8

Insert: "(2) (a) The provisions of [sections 1 through 12] do not apply to a remittor that produces less than 50,000 barrels of oil and less than 300,000 thousand cubic feet of gas annually. The department shall determine a remittor's annual production of oil and gas based upon a 3-year rolling average of the remittor's annual production as reported by the remittor to the Montana board of oil and gas conservation.

(b) Each producer that is exempted from withholding under subsection (2)(a) shall make an annual return to report royalty payments that exceed the dollar amounts in subsection (3). The return must be made under rules adopted by the department and be as nearly identical as possible to federal rules for internal revenue service form 1099 under section 6041, et seq., of the Internal Revenue Code, 26 U.S.C. 6041, et seq."

Renumber: subsequent subsection

4. Page 2.

Following: line 13

Insert: "(4) The department may, by rule, establish minimum

Committee Vote:

Yes 8, No 1

Fiscal Note Required — 

391159SC.spb

royalty amounts subject to withholding under the provisions of [sections 1 through 12], other than for oil and gas production, if the department determines that the withholding against the minimal amount of royalties is inefficient."

5. Page 4, line 1 through line 3.

Strike: subsection (8) in its entirety

- END -

ROLL CALL VOTE

Passed 7-3 R.C. Vote

[illegible]

SENATE PROXY FORM

According to Senate Rule 30-70 (13) (f) , a committee member may vote by proxy using a standard form.

PROXY VOTE

I, the undersigned, hereby authorize Senator Gillan

to vote my proxy on any issue before the Senate Tax

_____ Committee

held on Feb 21 '07, 2007.

6B 529 AYE

Judi Schmidt

SENATOR

STATE OF MONTANA

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

Amendments to Senate Bill No. 492
1st Reading Copy

Requested by Senator Kelly Gebhardt

For the Senate Taxation Committee

Prepared by Lee Heiman
February 22, 2007 (12:23pm)

1. Page 2, line 20 through line 21.

Strike: "in an amount" on line 20 through "\$10,000" on line 21

Strike: "in an amount in excess of \$40,000"

2. Page 2, line 21 through line 22.

Strike: "the" on line 21 through "by" on line 22

3. Page 2, line 23.

Following: "(a)"

Insert: "for real property in an amount in excess of \$20,000 or a
conservation easement in an amount in excess of \$80,000, the
value has been determined by"

4. Page 2, line 26.

Following: "(b)"

Insert: "for real property in an amount less than \$20,001 or a
conservation easement in an amount less than \$80,001, the
value has been determined by"

5. Page 2, line 27.

Following: "county"

Insert: ", city, or town"

Strike: "appraised"

Following: "value"

Insert: "determined under subsection (1)"

- END -

Amendments to Senate Bill No. 439
1st Reading Copy

Requested by Senator Robert Story

For the Senate Taxation Committee

Prepared by Lee Heiman
February 21, 2007 (11:42am)

1. Title, line 6.

Strike: "NONRESIDENT"

2. Page 2, line 2.

Strike: subsection (a) in its entirety

Renumber: subsequent subsections

3. Page 2.

Following: line 8

Insert: "(2) (a) The provisions of [sections 1 through 12] do not apply to a remittor that produces less than 50,000 barrels of oil and less than 300,000 thousand cubic feet of gas annually. The department shall determine a remittor's annual production of oil and gas based upon a 3-year rolling average of the remittor's annual production as reported by the remittor to the Montana board of oil and gas conservation.

(b) Each producer that is exempted from withholding under subsection (2)(a) shall make an annual return to report royalty payments that exceed the dollar amounts in subsection (3). The return must be made under rules adopted by the department and be as nearly identical as possible to federal rules for internal revenue service form 1099 under section 6041, et seq., of the Internal Revenue Code, 26 U.S.C. 6041, et seq."

Renumber: subsequent subsection

4. Page 2.

Following: line 13

Insert: "(4) The department may, by rule, establish minimum royalty amounts subject to withholding under the provisions of [sections 1 through 12], other than for oil and gas production, if the department determines that the withholding against the minimal amount of royalties is inefficient."

5. Page 4, line 1 through line 3.

Strike: subsection (8) in its entirety

- END -

Amendments to Senate Bill No. 529
1st Reading Copy

Requested by Senator Jeff Essmann

For the Senate Taxation Committee

Prepared by Lee Heiman
February 20, 2007 (12:31pm)

1. Title, page 1, line 9.

Following: "PROPERTY"

Insert: "; AND PROVIDING A CONTINGENT VOIDNESS PROVISION"

2. Page 1.

Following: line 26

Insert: "NEW SECTION. Section 3. Contingent voidness. If Senate Bill No. ___ [LC 1054] is not passed, then this act is void."

- END -